The Saskatchewan
Water Appeal Board

Annual Report 2002–2003

Saskatchewan Water Appeal Board

103-06588/

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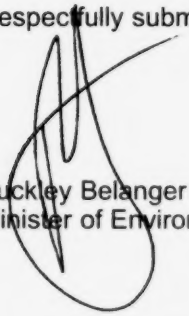
Her Honour L. Haverstock
Lieutenant Governor of Saskatchewan
Government House
4607 Dewdney Avenue
Regina, Saskatchewan
S4P 3V7

Dear Ms. Haverstock:

It is my pleasure to submit to you the Annual Report for the Water Appeal Board for the fiscal year ending March 31, 2003.

Respectfully submitted,



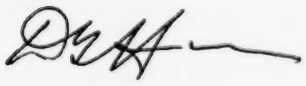
Buckley Belanger
Minister of Environment

Honourable Buckley Belanger
Minister
Saskatchewan Environment
Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Mr. Belanger:

I am pleased to present the Annual Report of the Water Appeal Board for the fiscal year ending March 31, 2003.

Respectfully submitted,



Donald G. Horner,
Chairperson

Chairperson's Comments

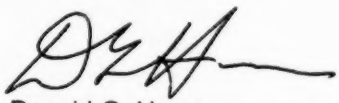
July 7, 2003

The Water Appeal Board came into effect July 1, 1984, replacing the Drainage Appeal Board. The board is composed of five members appointed by Order in Council. The members are drawn from across the Province and hear appeals of decisions of the Saskatchewan Water Corporation. The Board receives grant funding from the General Revenue Fund and has full responsibility for its financial operation.

The Water Appeal Board was created to hear and determine appeals made to it by any person affected by the action, order or decision of the Saskatchewan Water Corporation. The Board has the power to reconsider the decision being challenged, and has the authority to "...affirm, vary, substitute its own decision, or make any order it considers appropriate." The Board has no authority to order monetary compensation to an aggrieved party, or to enforce its own orders.

Most appeals involve farm drainage disputes which typically take one or two days to hear. Hearings are held mainly in the fall and winter months, since several of the members are engaged in farming operations during the spring and summer.

This is the last year of this Board's term and my last annual report. I would therefore like to express my thanks to the other Board members for the time they have devoted to the business of the Board over the past six years. It has been a privilege to work with them throughout. Finally, a special thanks to our secretary, Maggie Linton, for her excellent work in managing the daily operations of the Board.



Donald G. Horner
Chairperson

Board Members

Chairperson:	Donald G. Horner P.O. Box 51 Creelman, Saskatchewan S0G 0X0
Vice-Chairperson:	Val Kononoff P.O. Box 70 Arelee, Saskatchewan S0K 0H0
Member:	Jeanette Bell P.O. Box 2141 Rosetown, Saskatchewan S0L 2V0
Member:	Wayne Randall 2206 Richardson Road Saskatoon, Saskatchewan S7L 4B7
Member:	Janice Ruether P.O. Box 106 Bjorkdale, Saskatchewan S0E 0E0

Table No. 1

Appeals/Hearings	2003	2002	2001	2000	1999
Waiting to be heard at beginning of year	7	10	26	27	23
New appeals filed	8	12	10	23	16
Appeals heard	5*	11	4	16	10
Appeals withdrawn and/or dismissed	4	3	21	4	2
Appeals filed but not accepted	—	1	1	4	—
Appeals waiting to be heard at year end	6	7	10	26	27
Appeals ordered to be heard or re-heard from the Queen's Bench	—	—	—	1	—
Appeals re-heard per Queen's Bench Order	—	1	—	—	—
Board meetings	12	17	14	16	12
Decisions rendered	4	11	4	15	9
Decisions rendered on appeals re-heard per Queen's Bench Order	—	1	—	—	—
Decisions outstanding	3	2	2	2	1
Saskatchewan Water Corporation decisions affirmed	4	8	2	14	8
Saskatchewan Water Corporation decisions varied or overturned	—	3	2	1	1
Decisions appealed to the Court of Queen's Bench	1	3	2	11	4

*Also: 1 prehearing
1 day hearing an additional appeal which will be completed in June, 2003

Board's Report

To the Members of the Legislative Assembly of Saskatchewan

The Water Appeal Board consists of five members appointed by the Lieutenant Governor in Council. The Board is responsible for financial administration, administration of the funds and management of the assets.

The financial statements which follow have been prepared in conformity with accounting principles generally accepted in Canada and have been approved by the Board. The Board uses internal controls and exercises its best judgement in order that the financial statements reflect fairly the financial position of the Board.

The financial statements have been examined by the Provincial Auditor whose report follows.

Regina, Saskatchewan
July 7, 2003

Donald G. Horner
Chairperson

Water Appeal Board Financial Statements
Year Ended March 31, 2003
Office of the Provincial Auditor
Regina, Saskatchewan

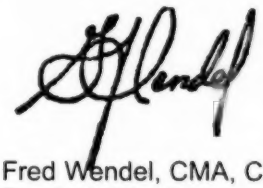
Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Water Appeal Board as at March 31, 2003 and the statements of operations and net assets, and cash flows for the year then ended. The Board's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



Regina, Saskatchewan
April 8, 2003

Fred Wendel, CMA, CA
Provincial Auditor

Water Appeal Board
Statement of Financial Position
As at March 31

	2003	2002
Assets		
Current assets:		
Cash	$84,429	$80,544
Accounts receivable	166	113
	84,595	80,657
Capital assets (Note 3)	991	1,982
	$85,586	$82,639
Liabilities & Net Assets		
Current liabilities:		
Accounts payable	$5,055	$8,979
Appellant deposits (Note 4)	2,400	1,800
	7,455	10,779
Net assets (Statement 2)	78,131	71,860
	$85,586	$82,639

(See accompanying notes to the financial statements)

Water Appeal Board
Statement of Operations and Net Assets
For the Year Ended March 31

	2003		2002
	Budget	Actual	Actual
Revenues:	(Note 6)		
Grant from General Revenue Fund – Department of Environment	$ 79,538	$ 80,000	$131,000
Transcript fees	3,000	1,144	496
Interest	2,500	1,750	1,577
Appellant fees (Note 4)	1,000	1,000	1,800
Other	—	2,075	266
	86,038	85,969	135,139
Expenses:			
Board honoraria	48,405	24,374	30,976
Travel and sustenance	30,283	19,351	20,332
Secretarial services	23,625	17,440	16,733
Professional fees	12,000	2,392	7,688
Office supplies	6,000	4,189	4,827
Meeting room rental	4,725	4,308	4,707
Transcript fees	3,000	924	528
Office rental	3,000	3,136	2,785
Telephone	4,000	1,834	2,231
Amortization of capital assets	—	991	991
Accounting and printing services	1,000	468	535
Other	—	291	145
	136,038	79,698	92,478
Surplus (deficit) for the year	$ (50,000)	6,271	42,661
Net assets, beginning of year		71,860	29,199
Net assets, end of year—to Statement 1		$ 78,131	$ 71,860

(See accompanying notes to the financial statements)

Water Appeal Board
Statement of Financial Position
As at March 31

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Water Appeal Board
Statement of Cash Flows
For the Year Ended March 31

	2003	2002
Cash flows from operating activities:		
Grant from General Revenue Fund – Department of Environment	$ 80,000	$131,000
Receipts from appellants	1,600	2,400
Receipts from customers	1,169	471
Interest received	1,673	1,626
Payments to board members for honoraria, travel and sustenance	(43,974)	(50,204)
Payments to appellants	(200)	(1,000)
Payments to suppliers	(36,383)	(34,902)
	3,885	49,391
Cash flows from investing activities:		
Purchase of capital assets	—	(2,973)
Proceeds from disposal of capital assets	—	266
	—	(2,707)
Net increase in cash	3,885	46,684
Cash, beginning of year	80,544	33,860
Cash, end of year	$ 84,429	$ 80,544

(See accompanying notes to the financial statements)

Water Appeal Board
Notes to the Financial Statements
March 31, 2003

1. Authority

The Water Appeal Board was established under *The Water Appeal Board Act*, on July 1, 1984. The purpose of the Board is to hear and determine appeals made pursuant to *The Water Corporation Act*.

2. Significant Accounting Policies

These financial statements have been prepared using Canadian generally accepted accounting principles. The following accounting policies are considered significant.

a) Revenue

The grant from the General Revenue Fund – Department of Environment is recognized as revenue when approved and any eligibility criteria are met.

b) Appellant fees

Appellant deposits are recognized as appellant fee revenue when the appeals have been heard and the appellants are not successful in their appeal.

c) Capital assets

Capital assets costing more than $500 are recorded at cost and amortized over their useful lives. Amortization of equipment commences in the year of acquisition and amortization is calculated on a straight-line basis over three years.

3. Capital Assets

	Cost		Accumulated Amortization		Net Book Value	
	2003	2002	2003	2002	2003	2002
Equipment	$ 6,401	$ 6,401	$ 5,410	$ 4,419	$ 991	$ 1,982

4. Appellant Deposits

Appellant deposits are held by the Board until the appeals have been heard and the decisions rendered. Once the decisions have been rendered by the Board these deposits are dealt with in one of two manners:

i) The deposit is returned if the appellant has been successful in his/her appeal.

ii) The deposit is retained by the Board and recorded as income if the appellant is not successful in his/her appeal.

At year end, the Board had 8 appeals (2002 — 7 appeals) that are awaiting hearing and 4 appeals (2002 — 2 appeals) that are awaiting decision.

5. Financial Instruments

The Board's financial instruments include accounts receivable, accounts payable and appellant deposits. The fair value of these instruments approximates their carrying value due to the immediate or short-term nature of these financial instruments.

6. Budget

These amounts represent the budget approved by the Water Appeal Board.

7. Related Party Transactions

These financial statements include transactions with related parties. The Board is related to all Saskatchewan Crown agencies such as departments, corporations, boards and commissions under the common control of the Government of Saskatchewan. Also, the Board is related to non-Crown enterprises that the Government jointly controls or significantly influences.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. These transactions, and amounts outstanding at year end, are as follows:

Category		2003	2002
Revenue	– Other	$1,500	$ —
	– Professional fees	—	1,500
	– Office rental	3,136	2,785
	– Telephone	1,587	1,841
Accounts payable		83	2,003

The Board pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other transactions with related parties and amounts due to/from them are described separately in the financial statements and the notes thereto.

Honoraria Paid to Board Members

	04/16/02	06/19/02	11/20/02	12/03/02	01/29/03	02/12/03	03/12/03	Pay'b	TOTAL
D. Horner	$705.00	$1,175.00	$2,726.00	$470.00		$940.00	$940.00	$705.00	$7,661.00
V. Kononoff			$1,085.00	$310.00	$705.00	$737.50		$390.00	$3,227.50
J. Bell	$465.00	$697.50	$775.00	$697.50	$465.00	$620.00	$775.00		$4,495.00
W. Randall	$620.00	$775.00	$852.50	$465.00	$465.00	$775.00	$775.00		$4,727.50
J. Ruether	$465.00	$775.00	$852.50	$465.00	$465.00	$620.00	$620.00		$4,262.50
									$24,373.50